



**US Army Corps
of Engineers®**

**NavLocks System
High-Performing Organization
Project Management Plan**

March 2007

**A Joint Publication of the
Headquarters, U. S. Army Corps of Engineers
Strategic Sourcing Program Office
Navigation Locks System High-Performing Organization
Development Team**



Navigation Locks System High-Performing Organization
Project Management Plan

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SECTION I – SCOPE OF WORK

This Project Management Plan (PMP) is the framework for establishing a High-Performing Organization (HPO) for the U.S. Army Corps of Engineers (USACE) Navigation Locks (NavLocks) System.

1. Background

a. In response to President's Management Agenda (PMA) implementing guidance from OMB, USACE submitted a competitive sourcing plan in September 2002. The plan identified public-private competition of 7,500 positions over a five-year period. More than 5,500 of the positions are associated with civil works mission activities.

b. In preparation for public-private competition, a Preliminary Planning Report¹ was completed for Operations and Maintenance of Navigation Locks and Dams (NavLocks System)² in May 2006. The results indicated that multiple competitions would be required, thus increasing the total cost of conducting and managing these competitions. Therefore a Business Case Analysis³ (BCA) was undertaken to determine how best the government could realize efficiencies and savings in accordance with the PMA. The BCA concluded that only marginal cost savings could be expected from a public-private competition. The BCA also demonstrated that an alternative to a public-private competition (such as an HPO) held greater potential for achieving efficiencies for this particular activity.

c. Subsequently, in January 2007, upon approval from OMB, USACE embarked on developing the NavLocks System HPO as an alternative to public-private competition. As prescribed in paragraph 5.c. of OMB Circular A-76, Performance of Commercial Activities, agencies are encouraged to use the circular's deviation procedure "to explore innovative alternatives to standard or streamlined competitions, including public-private partnerships, public-public partnerships, and high performing organizations."

¹ Operations and Maintenance of Navigation Locks and Dams Preliminary Planning Report, 8 May 2006.

² During Preliminary Planning the effort was identified as Operations and Maintenance of Navigation Locks and Dams.

³ Business Case Analysis For Operation and Maintenance of Navigation Locks and Dams May 2006.



2. NavLocks System HPO Initiative

USACE will undertake an HPO initiative of the NavLocks System, which will include a thorough Business Process Review (BPR) and business process re-engineering. This initiative may also include other civil works operations activities. An HPO development team consisting of USACE-wide representatives of the NavLocks System activity was established to accomplish this initiative, as discussed in Section II.

3. Commanding General's Guidance

At the 12 February 2007 staff meeting, the Commanding General asked that the NavLocks System HPO team consider the following in their development of the HPO:

- a. Balance efficiencies and effectiveness.
- b. Our national response capability.
- c. The advantages and disadvantages of centralization and decentralization.

4. Guiding Principles

a. Director of Civil Works Guiding Principles

From: Riley, Don T MG HQ02
Sent: Tuesday, January 02, 2007 1:19 PM
To: DLL-Division Commanders
Cc: Johnson, Ronald L MG HQ02; Navidi, Ray G HQ02; DLL-HQ-SES
Subject: FW: Navlocks HPO (UNCLASSIFIED)

Classification: UNCLASSIFIED
Caveats: NONE

Commanders,

This month we begin the business process re-engineering effort for the Operation and Maintenance of Navigation Locks and Dams. We expect this to result in a High Performing Organization (HPO) with greater efficiency and increased economy. As you know, the original plan was to conduct an A-76 competition as part of our commitment to OMB to compete 7,500 positions. Because of the Corps' success with the Logistics Management High-Performing Organization pilot, OMB granted our request to pursue an alternative to A-76 for this function.

Navigation Locks System High-Performing Organization Project Management Plan

The DCG informed you about this decision and you provided nominees to serve on the O&M of Navigation Locks and Dams HPO development team. These team members drawn from our Inland Navigation Divisions and Districts represent a good cross section of the entire navigation function providing a wide spectrum of experience and expertise. Bob Willis will chair the team and Mike Ensich will assist him as the co-chair; and they will be working with Ray Navidi, USACE Strategic Sourcing Program Manager, during the development of the HPO.

I will stay fully engaged with the team and you during the HPO development; this process should take approximately 18 months. As we begin this critical effort, I want to share with you my guidance to the team:

- * Be inclusive and engage commanders and stakeholders throughout the process.
- * Nothing is off the table and I expect that some proposals may cross district and division lines.
- * Question every process.
- * Establish key principles early in the process and stick to them.
- * Do not get bogged down with insignificant details.
- * Bench mark with private industry and look for best business practices.
- * Get the critical bulk of re-engineered processes in place prior to adjusting the organization; then move out on implementing a solution as we fine tune the final product.

This is a tremendous opportunity to examine every aspect of our navigation mission and search for innovative ways to improve the way we manage this critical part of the Nation's transportation system. Thank you for making available team members for this effort and for your continued support in this significant endeavor.

VR, Don Riley

b. NavLocks System Development Team Guiding Principles:

The team will follow the following guiding principles in its first meeting, in priority order:

- (1) Ensure continuity of mission
- (2) Improve service to end users
- (3) Improve efficiency and effectiveness
- (4) Reduce risks & improve reliability
- (5) Review all aspects of the NavLocks System



(6) Minimize disruption of workforce

(7) Consider impacts outside Operations Community of Practice (CoP)

5. NavLocks System HPO Development Process Scope of Work

a. In October 2006 the Office of the Secretary of Defense (OSD) issued procedures for implementing, monitoring, and reporting HPOs.⁴ OSD issued this guidance for HPO pilots established under Section 337 of the National Defense Authorization Act of 2004 (Public Law 108-136).

b. The USACE Delegated Competitive Sourcing Official (DCSO)⁵ has adopted this guidance for application to other efforts pursued as an alternative to public-private competitions.⁶

c. In compliance with the adopted OSD guidance the Scope of Work for the NavLocks System HPO development process is as follows:

(1) Specify a start and end date for the business process reengineering process that will take place: The start date for the NavLocks System HPO development process is January 2007 the end date for this process is July 2008.

(2) Specify a start date for the HPO and identify annual performance periods for tracking and reporting purposes:

(a) The NavLocks System HPO Final Report will specify the annual performance periods for tracking and reporting purposes.

⁴ This process emulates "the minimum actions to be taken during Business Process Reengineering" shown in the plan of action attachment to Office of the Under Secretary of Defense (Installations and Environment) memorandum dated 4 Oct 06, subject: Procedures for Implementing, Monitoring, and Reporting High Performing Organizations (HPO).

⁵ See Memorandum of Understanding executed 3 May 04 between Acting Assistant Secretary of the Army (Installations and Environment and Assistant Secretary of the Army (CW) and CESS memorandum dated 4 May 04, subject Delegation of Competitive Sourcing Official Responsibilities. The Deputy Commanding General (DCG) is the USACE Delegated Competitive Sourcing Official (DCSO).

⁶ Competitive Sourcing Operational Order Nos. 1 – Letters of Obligation, 3 – Performance Accountability, 4 – Performance Accountability Execution, 6 – Performance Costs, and 7 – Performance Evaluation and Audit.

(b) The annual performance periods will be indicated in a Letter of Obligation (LOO) executed between the Director of Civil Works and the Delegated Competitive Sourcing Official (DCSO).

(3) This PMP satisfies the following requirements:

(a) Identify the key actions that will take place during the business process reengineering effort: Section I of this PMP satisfies this requirement.

(b) Provide a schedule for each of the above key actions: Section VI of this PMP satisfies this requirement.

(c) Identify individuals responsible for each of these key actions: Section II of this PMP satisfies this requirement.

(4) The NavLocks System HPO Final Report will respond to the following requirements:

(a) Identify the activities, including civilian and military authorizations, by location, that will be subject to be included in the business process reengineering.

(b) Include an organizational chart of the incumbent (as-is) organization and the HPO.

(c) Identify how workload data will be identified, captured, and monitored for all performance periods.

(d) Identify baseline costs for the incumbent organization and HPO.

(e) Clearly articulate additional costs, by year, for bridging from incumbent organization to the HPO.

(f) Issue a requirements document identifying the technical, functional and performance characteristics of the needed requirements. This document is essentially the HPO's performance work statement, which is necessary to specify the required outcomes to be achieved, specified required performance standards, and identifies the location, units, quantity, and timeliness of the work to be performed.

(g) Issue a quality control plan that will serve as the HPO's daily self inspection plan. This plan shall describe the internal staffing and procedures that will be used to meet the quality, quantity, responsiveness, customer satisfaction, and other tasks in the requirements document.



(h) Issue a quality assurance surveillance plan that will be used to independently perform surveillance of the HPO's performance with individuals not in the HPO. This plan will document the methods used to measure performance of the HPO against the requirements document on a routine basis as determined by the inspector. At a minimum, this plan will include an annual report on the following:

1. Knowledge, skills or experience
2. Efficiency and effectiveness of key functions or processes
3. Efficiency and effectiveness of the overall organization
4. General customer satisfaction

SECTION II – PROJECT DELIVERY

1. Overarching Concept:

a. The Deputy Commanding General (DCG) in his role as the Delegated Competitive Sourcing Official (DCSO) is the approving authority for the NavLocks System HPO.

b. The Director of Civil Works (DCW) provides scope and concept approval and overall HPO direction.

c. The Strategic Sourcing Program Manager (SSPM) is the staff arm of the DCSO and is responsible for the overall project delivery.

d. The Functional Proponent Project Manager (FPPjM) works in conjunction with the Strategic Sourcing Program Office (SSPO) to ensure outputs are completed in accordance with the timeline.

e. The HPO team chartered by the DCSO consists of representatives appointed by commanders of the Major Subordinate Commands (MSCs) and reports directly to the DCSO.

2. Steering Committee

a. On 12 Feb 07 the DCW directed the establishment of a Steering Committee to provide overall guidance and direction for the NavLocks System HPO effort.

b. As directed by the DCW the NavLocks System HPO Steering Committee shall consist of the following:

Director of Civil Works, Chair
Deputy Director of Civil Works, Co-chair
Chief of Operations, Co-chair
Members:

Strategic Sourcing Program Manager
Director of Resource Management
Director of Human Resources
Chief of Engineering and Construction
Director of Real Estate
Chief Program Integration Division

Adjunct: Director of Logistics or Director of the USACE Logistics Activity

c. The FPPJM, NavLocks System HPO PDT Leader, and Strategic Sourcing Program Manager shall provide a formal, quarterly briefing to the DCW as directed.

2. The following is the Charter of the NavLocks System HPO Team:

CHARTER
Operation & Maintenance of Navigation Locks & Dams
High-Performing Organization
Development Team

MISSION

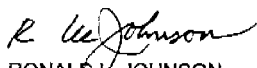
The team shall develop the following for review and approval by the Deputy Commander, U.S. Army Corps of Engineers:

- Communication Plan
- Action Plan including milestones using Microsoft Project
- Performance Work Statement to include a Quality Control Plan and a Quality Assurance Surveillance Plan
- HPO Structure
- Cost projection for the high-performing organization using COMPARE
- High-Performing Organization Implementation Plan to include a Human Resources Implementation Plan

SUNSET

The team shall disband upon the implementation milestone identified in the Action Plan.

DATE 26 Dec 06


RONALD L. JOHNSON
Major General, USA
Deputy Commander and
Delegated Competitive Sourcing Official

3. Board of Advisors

a. A Board of Advisors chaired by a Senior Executive Service (SES) member of a Navigation Division is established to act as a sounding board for this effort. The Board of Advisors shall:

(1) Review information and documents developed by the NavLocks System HPO PDT.

(2) Validate that the identified services meet mission requirements.

(3) Recommend areas for additional focus to the DCW.

(4) Serve as Enablers and Change Agents to assist the NavLocks System HPO achieve its final end-state.



- b. The NavLocks System Board of Advisors shall be comprised of:
- SES of a Navigation Division, Chair
 - One District Commander from a Navigation District
 - Representatives from each major basin:
 - HQUSACE Chief of Navigation
 - South Atlantic Division
 - Northwestern Division
 - Southwestern Division
 - Mississippi Valley Division
 - Great Lakes and Ohio River Division

SECTION III – WORK BREAKDOWN STRUCTURE

1. Scope of Work

The NavLocks HPO Development Team will use the following approach to the Scope of Work:

- a. Determine NavLocks System HPO scope.
- b. Document current business processes and performance metrics.
- c. Validate current workload.
- d. Determine current baseline cost using mandatory COMPARE costing software.
- e. Apply Lean methodology for performance improvement.
- f. Develop Performance Work Statement (PWS).
- g. Document re-engineered business processes.
- h. Develop corresponding performance metrics.
- i. Develop the most efficient organization.
- j. Establish and define command and control.
- j. Develop most efficient organization baseline cost using mandatory COMPARE costing software.
- k. Review by Districts, Divisions, Partners and Stakeholders.
- l. Issue final NavLocks System report.

2. Minimum essential final report attributes:

Foreword

Executive Summary

Introduction
Background

Guiding Principles of NavLocks System Development

Section I: Current Operating Environment

U.S. Army Corps of Engineers

Operations & Maintenance Mission & Organization

Activities that Support Operations & Maintenance and the Type of Service Provided

Operations & Maintenance Major Functions Including Staffing & Work Counts

Operations & Maintenance Funding – How it is Presently Funded

Operations & Maintenance Baseline Costs – Including Services Provided by Others

Stakeholders, Partners, & Customers and Service Requirements

Summary

Section II: NavLocks System HPO Transformation

General

Scope

Business Process Re-engineering Methodology – including a discussion of customer collaboration

Requirements Based On

Statutes and Regulations

Stakeholders, Customers, and Partners Requirements

Constraints – including a discussion about Security, Safety, Funding, Operational, Equipment Age/Capability

Performance Work Statement (defines the requirements under the HPO)

Level of Effort, Performance Standards and Surveillance (including Emergency Response)

HPO Alternatives

Business Process Transformation (Selected HPO)

Quality Control Plan Template

NavLocks System HPO

Structure

Command and Control

Staffing

Relationship to USACE 2012 and Doctrine

NavLocks System HPO Baseline Costs

Summary

Section III: Implementation

General

Continuity of Operations During Transition

Standard Operating Procedure for Different Functions of the HPO (a brief mention here, the SOP to be developed after completion of the report)

Transition Roles, Responsibilities, Activities & Timelines (Transition Plan to be a separate document)



Summary

Section IV: Performance Accountability

- General (attach operating orders?)

- Performance Accountability Execution

- Performance Tracking

- Performance Evaluation and Audit

- Summary

Section V: Comments and Questions Addressed

- General

- Comments and Questions Addressed

- Questions Requiring Further Explanation

- Summary

3. HPO Implementation

Upon completion of the final report, a transition team will prepare an implementation project management plan and begin the transition from the current organization into the HPO. This plan will include, but is not limited to, a crosswalk of affected employees into the new HPO, a business process transition plan, and standard operating procedures.

SECTION IV – ACQUISITION PLAN

1. Contractor Support⁷

The NavLocks System HPO development effort will require contract support for the following:

a. Training:

- (1) In the use of the COMPARE costing software - 2 team members
- (2) Lean (Lean Six Sigma) – all team members
- (3) Business Process Review and Business Process Re-engineering methods and techniques including information gathering and documentation – all team members

b. Consultant Support:

- (1) COMPARE baseline costing (as-is organization and the HPO)
- (2) Lean (Lean Six Sigma)
- (3) Business Process Review and Business Process Re-engineering including information gathering and documentation
- (4) Performance Work Statement (PWS) development
- (5) Final Report preparation and editing
- (6) Implementation Project Management Plan development

b. Advisors

- (1) The Strategic Sourcing Program Office (SSPO) will provide program management policy and guidance as it applies to HPOs.

⁷ The Strategic Sourcing Program Office (SSPO) provides for training and consultant support through the North Atlantic Division, Baltimore District, Contracting Office.



(2) The NavLocks HPO Development Team will require advice in areas of human resources, legal, and contracting. The team will work with the SSPO to obtain this support from the appropriate subject matter experts.



SECTION V – RESOURCE MANAGEMENT

1. Budget

a. The SSPO is the proponent for and funds in-house support for program management and support staff (e.g., contracting and legal advisors, etc.) and the competitive sourcing website. Funding for this support is identified during preparation of the SSPO budget.

b. The estimated budget for the NavLocks System HPO development effort, excluding overall program expenses is \$800,000. This amount includes training and contractor/consultant support and excludes team funding.

2. Team Funding

Funding for salaries, travel, and per diem of the NavLocks System HPO Development Team is through the team members' parent organization.

3. Project Execution Costs

The NavLocks System HPO Development Team will use Command Indicator Code (CIC) A760 to identify costs associated with this effort.

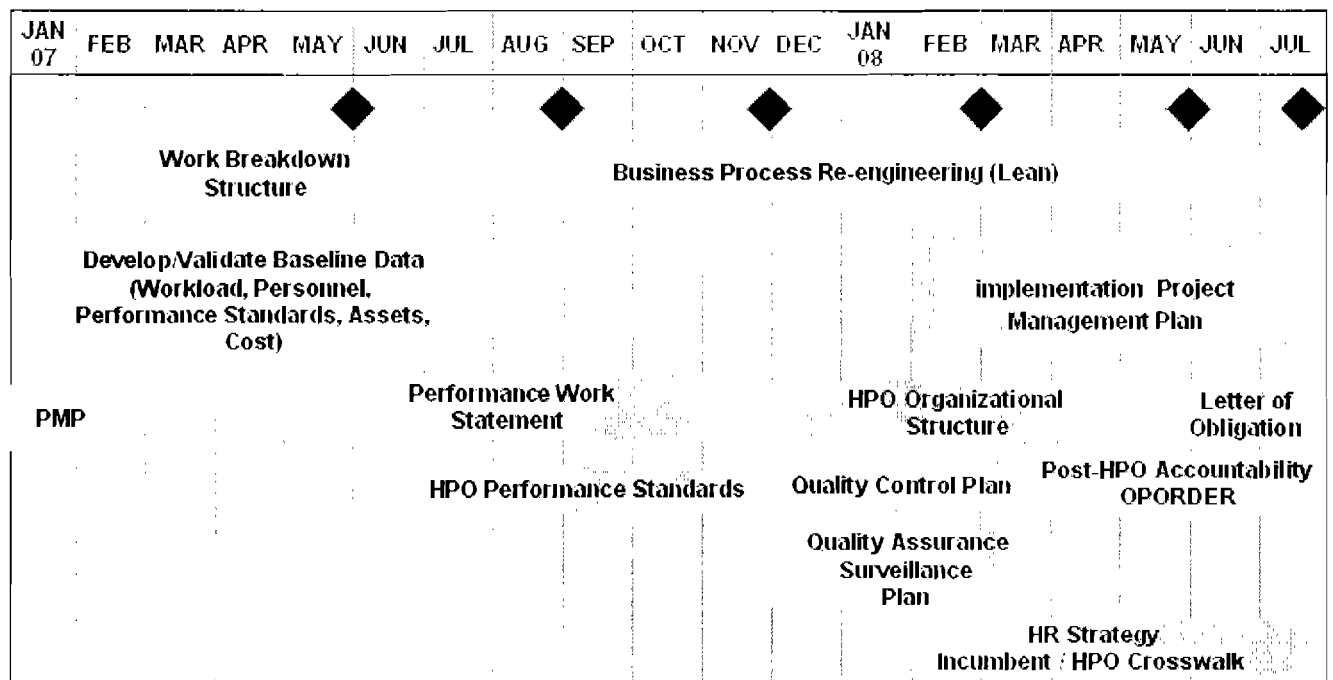
SECTION VI – SCHEDULE

1. Overall Schedule

The following is the overall schedule for the NavLocks HPO development activity. The NavLocks System HPO Development Team will establish a detailed milestone schedule for each of the major events shown in this PMP. The detailed milestone schedule will be appended to this section (under paragraph 2).

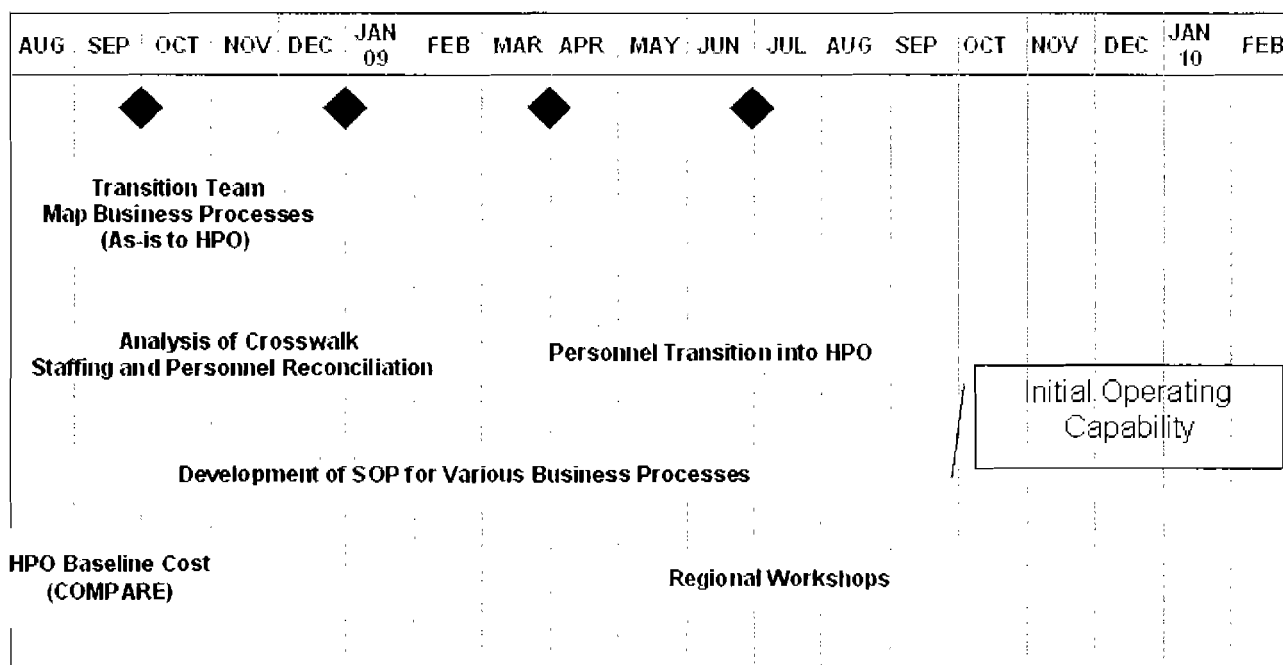
a. Phase I – HPO Development. This activity will take place over 18-months (as agreed to with OMB). The effort began in January 2007 and will conclude with the publication of the final report and the signing of the Letter of Obligation (LOO) by the Director of Civil Works and DCSO not later than June 2008.

January 2007 – July 2008



b. Phase II – HPO Transition. This activity will take place over 16 months. It will begin when the LOO is signed by the Director of Civil Works and the DCSO in June 2008 and will conclude at the end of September 2009.

August 2008 – January 2010



c. Phase III – HPO Initial Operating Capability. The NavLocks System HPO will begin initial operating capability (IOC) on 1 Oct 09 (FY 2010).

2. Detailed Schedule (To be added later)



SECTION VII – PROJECT QUALITY CONTROL PLAN AND OBJECTIVES

1. Project Metrics

Project Objective: Undertake an HPO initiative of the NavLocks System, which will include a thorough Business Process Review (BPR) and business process re-engineering.

2. Project Management Outcomes

- a. Detailed schedule is monitored to ensure compliance with the overall schedule (Section VI).
- b. Risk mitigation strategy is implemented to avoid risk event (Section VIII).
- c. Final report is completed within the 18-month time limit as agreed to with OMB.
- d. Final report complies with Section I and II of this PMP.
- e. Implementation plan (developed separately) is sufficient to support Phase II: HPO transition.
- f. Final report contains sufficient information to comply with performance assessment requirements.



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SECTION VIII – POTENTIAL RISKS

The following table indicates the mitigation strategy that applies to the NavLocks System HPO development project.

RISK CATEGORY	RISK EVENT	MITIGATION STRATEGY
1. Current operating environment definitions are not completed in time to facilitate business process re-engineering during time allotted for the HPO development effort	Work Breakdown Structure (WBS) development is not completed by early June 2007 (see requirements in Section I and Section VI of this PMP)	FPPjM and NavLocks System HPO Development Team Leader: 1. Identify tasks, associated resources, and related schedule necessary to complete the WBS development by early June 2007. 2. Take necessary actions to ensure the team can begin WBS development in March 2007. 3. Monitor detailed schedule and take necessary corrective actions during the effort to ensure the WBS is developed on time.
2. Business Process Re-engineering is not completed in time to facilitate the identification of the HPO	Performance Work Statement is not completed by the mid-November 2007 (see requirements in Section VI of this PMP)	FPPjM and NavLocks System HPO Development Team Leader: 1. Identify tasks, associated resources, and related schedule necessary to complete the PWS by mid-November 2007. 2. Take necessary actions to ensure the team can begin PWS development at the beginning of May 2007. 3. Monitor detailed schedule and take necessary corrective actions during the effort to ensure the PWS is completed on time.
3. Current (as-is) and HPO baseline cost information elements are insufficient to support costing in COMPARE	(1) Development and validation of baseline data costs for the as-is organization are insufficient and not available by the end of May 2007 (see requirements in Section III and Section VI of this PMP) (2) Development of baseline	FPPjM and NavLocks System HPO Development Team Leader: 1. Identify tasks, associated resources, and related schedule necessary to develop and validate “as-is” costs by the date these are required. 2. Identify tasks, associated resources, and related schedule necessary to develop baseline costs for the HPO by the date these are required.



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RISK CATEGORY	RISK EVENT	MITIGATION STRATEGY
	<p>costs for the HPO is insufficient and not available by the end of May 2008 for inclusion in the final report.</p> <p>(see requirements in Section III and Section VI of this PMP)</p>	<p>3. Monitor schedule for the “as-is” baseline cost development and take necessary actions during the effort to ensure the baseline “as-is” costs are available at the beginning of May 2007.</p> <p>4. Monitor schedule of the HPO baseline costs development and take necessary actions during the effort to ensure the HPO baseline costs are available by the end of May 2008 for inclusion in the final report.</p>
<p>4. Information for Performance Accountability is not completed in time for inclusion in the final report</p>	<p>(1) Level of Effort, Performance Standards and Surveillance are not identified by the end of May 2008 for inclusion in the final report (and eventual inclusion in a Quality Assurance Surveillance Plan)</p> <p>(see requirements in Section III of this PMP)</p> <p>(2) A template Quality Control Plan is not developed by May 2008 for inclusion in the final report.</p> <p>(see requirements in Section III of this PMP)</p>	<p>FPPjM and NavLocks System HPO Development Team Leader:</p> <p>1. Identify tasks, associated resources, and detailed schedule necessary to identify the level of effort, performance standards and surveillance to complete this activity by the date these are required.</p> <p>2. Identify tasks, associated resources, and detailed schedule necessary to develop the Quality Control Plan template by the date required.</p> <p>3. Monitor detailed schedule and take necessary corrective actions to ensure the level of effort, performance standards and surveillance information is available by the date required.</p> <p>4. Monitor detailed schedule and take necessary corrective actions to ensure the Quality Control Plan template is available by the date required.</p>
<p>5. Critical elements associated with Continuity of Operations during transition are identified</p>	<p>Critical elements associated with Continuity of Operations are not identified for inclusion in implementation planning</p> <p>(see requirements in Section III and Section VI of this PMP)</p>	<p>FPPjM and NavLocks System HPO Development Team Leader:</p> <p>1. Identify tasks, associated resources, and related schedule necessary to complete the task in time to complete the Implementation section of the final report and for the development of the Implementation Project Management Plan.</p> <p>2. Monitor detailed schedule and take</p>



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RISK CATEGORY	RISK EVENT	MITIGATION STRATEGY
		necessary corrective actions during the effort to ensure critical elements associated with Continuity of Operations are identified by the dates required for writing the implementation section of the final report and for the development of the Implementation Project Management Plan.